



# Montgomery County Council

*From the office of Councilmembers Tom Perez and Phil Andrews*

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## **News Release**

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### **Councilmembers, School Board and Education Advocates Urge Support of Bill Dedicated to Building Schools**

Joined by a diverse group of supporters and education advocates, Councilmembers Tom Perez (Dist. 5) and Phil Andrews (Dist. 3) today called for support of a development impact tax that would help pay for new school construction and additions to existing schools. The bill (9-03) would address issues of school overcrowding and future enrollment increases.

“The Impact Tax for Schools is a positive response to this negative impact on our children’s education,” said Councilmember Perez. “New residential development in the urban core, or on the suburban fringe, contributes to the pressure on our classrooms. This Impact Tax for Schools will go directly into school construction – new schools and expansion of existing ones.”

Councilmember Andrews said, “Montgomery County needs a sure and steady source of revenue to address the long-term problem of school capacity. We must have space for every child who lives in our County. This is a fair and reasonable way to do this. The time is now – every month that we delay adoption there will be almost \$1 million fewer dollars for school construction needs.”

At the rates proposed in the bill, Council staff estimates that it would raise about \$10.5 million a year when fully in effect. The tax would be similar to the current transportation impact but levied only on new residential development in the County. It would exempt low- and moderate-income housing and housing in enterprise zones.

“This bill is not designed to put Montgomery County developers at a disadvantage,” Mr. Perez said. Displaying a chart that showed the residential impact tax fee rates in surrounding counties, Mr. Perez said the fee structure of the Impact Tax for Schools is in the middle of those already in place. Prince George’s, Frederick and Charles counties have higher rates.